



**U.S. Immigration
and Customs
Enforcement**

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News Release

NEW CHARGES FILED IN FEDERAL KICKAPOO TRIBE, CASINO INVESTIGATION *Tax evasion, civil rights violations charged in superseding indictments*

SAN ANTONIO— A federal grand jury here returned a superseding indictment Wednesday that added tax evasion and civil rights charges to federal charges lodged Dec. 7 against seven individuals connected to the Kickapoo Lucky Eagle Casino.

Named in the new indictments are former Kickapoo tribal leader Raul Garza, Sr., Kickapoo tribal gaming representative Isidoro Garza, Jr. and his sons: former State Representative Timoteo Garza and Isidoro Xavier Garza.

The indictments concern a scheme by those named to steal more than \$900,000 in tribal funds.

"This superseding indictment added six new charges and one new defendant, 32-year-old Isidoro Xavier Garza, to the original indictment," said U.S. Immigration and Customs Enforcement (ICE) Special Agent-in-Charge Al Pena. "The new charges include conspiracy to violate civil rights; conspiracy to defraud the IRS, and four counts of tax evasion."

According to Pena, the new civil rights charge alleges that between June 2002 and October 28, 2002, Raul Garza, Sr., Isidoro Garza, Jr., Martha Garza and Arthur Lee Martin conspired together to oppress, threaten and intimidate members of the Kickapoo Traditional Tribe of Texas in the free exercise and legal right to petition the Tribal Counsel to hold a recall election to remove Raul Garza, Sr., and other members of the Tribal Counsel from office. Allegedly, the defendants interfered with meetings of the tribal election committee and provided loans to tribal members then threatened to withhold those funds unless the individual members would sign an affidavit stating their desire to have their name removed from the recall petition.

The new tax conspiracy charge alleges that between Oct. 18, 1995, and April 15, 2003, Isidoro Garza, Jr., Martha Garza, and their sons Timoteo and Isidoro Xavier Garza conspired together to impede the Internal Revenue Service in the assessment and collection of income taxes. The

defendants evaded their tax obligations by filing false returns in 1998 and 2002, plus not filing returns in 2000 and 2001 all the while conducting their financial affairs in cash transactions through nominees and other methods designed to hide income.

The new tax evasion charges allege that Isidoro Garza, Jr. and Martha Garza failed to file income tax returns for calendar years 2000 and 2001 and pay an estimated \$237,401 in taxes to the federal government. In addition, it is alleged that they substantially under reported their taxable income on their 1998 and 2002 returns.

The superseding indictment re-alleges the charges contained in the original indictment, which was filed Dec. 7.

The investigation is being conducted by ICE, the IRS, the FBI, and the Department of the Interior-Office of the Inspector General. Assistant U.S. Attorneys William R. Harris and Joe F. Sepeda are prosecuting the case.

An indictment is a formal accusation of criminal conduct, not evidence of guilt. The defendants are presumed innocent unless and until convicted through due process of law.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.